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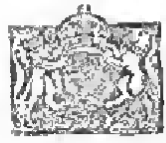


# THE FORT ST. GEORGE GAZETTE

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## Part IV—Proceedings of the Madras Legislature

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**Bill to be introduced in the Council of the Governor of Fort St. George assembled for the purpose of making Laws and Regulations.**

Under rule 18 of the Madras Legislative Council Rules, the following Bill, together with the Statement of Objects and Reasons, is published for general information :—

### BILL No. 2 OF 1934.

*A Bill to amend the Madras Local Boards Act, 1920, and the Madras Elementary Education Act, 1920, for certain purposes.*

Madras Act XIV of 1920. Madras Act VIII of 1920.

WHEREAS it is expedient to amend the Madras Local Boards Act, 1920, and the Madras Elementary Education Act, 1920, for the purposes hereinafter appearing;

It is hereby enacted as follows :—

Short title and commencement.

**1.** (1) This Act may be called the Madras Local Boards and Elementary Education (Amendment) Act, 1934.

(2) It shall come into force on such date as the Local Government may, by notification in the *Fort St George Gazette*, appoint

Amendment of section 3, Madras Act XIV of 1920.

**2.** In section 3 of the Madras Local Boards Act, 1920 (hereinafter referred to as the said Act)—

(i) in clause (11), the words " taluk board " shall be omitted;

(ii) in clause (12), the words " taluk fund " shall be omitted; and

(iii) clauses (21-A) and (21-B) shall be omitted.

Amendment of the heading in Chapter II, Madras Act XIV of 1920.

**3.** In Chapter II of the said Act, in the heading at the commencement, the word " Taluks " shall be omitted

Repeal of section 4, Madras Act XIV of 1920.

**4.** Section 4 of the said Act shall be omitted.

Amendment of section 6, Madras Act XIV of 1920.

**5.** In section 6 of the said Act—

(i) in sub-section (1), the words " for each taluk, a taluk board " shall be omitted;

(ii) in the first proviso to sub-section (2), for the words " taluk board " wherever they occur, the word " panchayat " shall be substituted;

(iii) the second proviso to the same sub-section shall be omitted; and

(iv) in sub-section (3), the words " or revenue taluk," the word " taluk " and the figure " 4 " shall be omitted.

Amendment of section 7, Madras Act XIV of 1920.

**6.** In section 7 of the said Act, the item relating to " Taluk boards " shall be omitted.

Amendment of section 9, Madras Act XIV of 1920.

**7.** In section 9 of the said Act—

(i) sub section (2) shall be omitted and sub-sections (3) to (7) shall be renumbered (2) to (6) respectively;

(ii) in sub-section (3) as so renumbered, for the word and figures " (2) or (3)," the word and figure " or (2) " shall be substituted;

(iii) in sub-section (4) as so renumbered, the words, figure and letters " or in any taluk board for any of the communities mentioned in clauses (a) to

(c) of sub-section (2) " and the words " or taluk as the case may be " shall be omitted; and

(iv) in sub-section (6) as so renumbered, for the words and figures " sub-sections (1) to (3)," the words and figures " sub-sections (1) and (2) " shall be substituted.

Amendment of section 22-A, Madras Act XIV of 1920.

**8.** In section 22-A of the said Act—

(i) in clause (b) of sub-section (2), the words " taluk board or " in both the places where they occur shall be omitted and for the words " a member of the taluk board appointed by the president of the district board or a member of the panchayat appointed by the president of the taluk board, as the case may be," the words " a member of the panchayat appointed by the president of the district board " shall be substituted;

(ii) in sub section (3), the words " and taluk " shall be omitted; and

(iii) in sub-section (4), the words " taluk board or " in both the places where they occur and the words " as the case may be " shall be omitted.

Amendment of section 23, Madras Act XIV of 1920.

**9.** In section 23 of the said Act—

(i) in clause (iii) of the proviso to sub-section (3), the words " taluk board or " and the words " or of the taluk board, as the case may be ", shall be omitted; and

(ii) in sub-section (4), the words " taluk board or " shall be omitted.

Amendment of section 27, Madras Act XIV of 1920

**10.** In clause (b) of sub-section (2) of section 27 of the said Act, the words " taluk board or " shall be omitted.

Insertion of new section 27-A in Madras Act XIV of 1920.

**11.** After section 27 of the said Act, the following section shall be inserted, namely :—

Constitution of standing committees

" 27-A. (1) A local board shall, if so required by the Local Government, constitute standing committees for the purpose of exercising such of its powers, discharging such of its duties or performing such of its functions as may be specified by the Local Government.

(2) The Local Government may issue such directions as they think necessary or desirable in the

case of any standing committee, the constitution of which is ordered by them under sub-section (1), in respect of—

(*a*) the number of its members;

(*b*) the number who shall be members of the local board and the number who may be outsiders;

(*c*) the persons who shall be members of the standing committee or the manner in which they shall be elected or appointed;

(*d*) the person who shall be the chairman of the standing committee or the manner in which he shall be elected or appointed;

(*e*) the term of office of the members and the chairman of the standing committee;

(*f*) the procedure of the standing committee; and

(*g*) the powers of the local board to control and revise the exercise, discharge or performance of any powers, duties or functions by the standing committee "

Amendment of section 28, Madras Act XIV of 1920.

**12.** In section 28 of the said Act—

(*i*) in clause (*c*) of sub-section (1), for the words "A local board may," the words, figures and letter " Subject to the provisions of section 27-A, a local board may " shall be substituted; and

(*ii*) sub-section (4) shall be omitted.

Insertion of new section 29 in Madras Act XIV of 1920.

**13.** After section 28 of said Act, the following section shall be inserted, namely :—

Application of Act to members of standing and other committees who are not members of the local board.

" 29 All the provisions of this Act relating to the duties, powers, liabilities, disqualifications and disabilities of members of the local board shall be applicable, so far as may be, to the members of any standing or other committee who are not members of the board."

Amendment of section 31, Madras Act XIV of 1920.

**14.** In clause (*e*) of section 31 of the said Act, after the word " committees," the words " other than standing committees " shall be added.

Amendment of section 34, Madras Act XIV of 1920.

**15.** (1) In sub-section (1) of section 34 of the said Act, for the words " committee thereof," the words " standing or other committee thereof " shall be substituted

(2) In the Explanation to the same section, for the word "committee" the words "standing or other committee" shall be substituted.

Amendment of section 35, Madras Act XIV of 1920.

**16.** In section 35 of the said Act, for the words "committee thereof" the words "standing or other committee thereof" shall be substituted.

Amendment of section 36, Madras Act XIV of 1920.

**17.** In section 36 of the said Act—

(i) in sub-section (1), for the words "taluk board," the words "district board" shall be substituted;

(ii) sub-section (2) shall be omitted and sub-sections (3) to (6) shall be renumbered (2) to (5) respectively; and

(iii) in sub-section (2) as so renumbered, the words "taluk boards and" shall be omitted.

Amendment of section 37-D, Madras Act XIV of 1920.

**18.** In section 37-D of the said Act, for clauses (a) and (b), the following shall be substituted, namely:—

"by the president of the district board in the case of panchayats and their presidents."

Amendment of section 42, Madras Act XIV of 1920.

**19.** In section 42 of the said Act—

(i) for clauses (a) and (b), the following shall be substituted, namely:—

"by the president of the district board in respect of panchayats or their presidents;" and

(ii) in the proviso, the words "or taluk" shall be omitted.

Amendment of section 44, Madras Act XIV of 1920.

**20.** In section 44 of the said Act—

(i) in sub-section (1), the words "or of a taluk board" shall be omitted;

(ii) for clauses (a) and (b) of sub-section (2), the words "to the District Collector" shall be substituted;

(iii) in sub-section (3) the words "or the Revenue Divisional Officer, as the case may be" shall be omitted;

(iv) in sub-section (4), the words "or the Revenue Divisional Officer, as the case may be" in both the places where they occur and the words "or the Revenue Divisional Officer" occurring before the words "is not present" shall be omitted; and

(v) in sub-section (5), the words " or the Revenue Divisional Officer, as the case may be " shall be omitted.

Amendment of section 45 Madras Act XIV of 1920.

**21.** In sub-section (1-A) of section 45 of the said Act, for the words " and to the district board in the case of a taluk board and to the district and taluk boards in the case of a panchayat " the words " and to the district board in the case of a panchayat " shall be substituted.

Amendment of section 46, Madras Act XIV of 1920.

**22.** In sub-section (2) of section 46 of the said Act, the words " or taluk " shall be omitted.

Repeal of section 48, Madras Act XIV of 1920.

**23.** Section 48 of the said Act shall be omitted.

Amendment of section 49, Madras Act XIV of 1920.

**24.** In clause (*b*) of sub-section (1) of section 49 of the said Act, for the word and figure " sub-section (3)," the word and figure " sub-section (2) " shall be substituted.

Amendment of section 51, Madras Act XIV of 1920.

**25.** In sub-section (3) of section 51 of the said Act, the words " or taluk " shall be omitted.

Amendment of section 52, Madras Act XIV of 1920.

**26.** In clause (*d*) of section 52 of the said Act, the words " or taluk-" wherever they occur shall be omitted

Amendment of section 56, Madras Act XIV of 1920.

**27.** In sub-section (1) of section 56 of the said Act, in sub-clause (i) of clause (g), the words " or taluk " wherever they occur and the words " as the case may be " shall be omitted.

Amendment of section 60, Madras Act XIV of 1920.

**28.** In sub-section (1) of section 60 of the said Act—

(i) at the end of clause (*a*), the word " and " shall be added;

(ii) clause (*b*) shall be omitted and clause (*c*) shall be relettered (*b*); and

(iii) in clause (*b*) as so relettered, for the words " either as district or as taluk roads," the words " as district roads " shall be substituted.

Amendment of section 65, Madras Act XIV of 1920.

**29.** In section 65 of the said Act, the words " or taluk " in both the places where they occur shall be omitted.

Amendment of section 68, Madras Act XIV of 1920.

30. In section 68 of the said Act—

(i) in sub-section (1), before the words " and a post of district panchayat officer, " the words " a post of district executive officer " shall be inserted,

(ii) to sub-section (3), the following proviso shall be added, namely :—

" Provided that nothing contained in this sub-section shall be deemed to prevent one officer discharging the duties of two or more of the posts specified in sub-section (1) or the appointment of the same person as district health officer of two or more district boards."; and

(iii) in sub-section (4), after the words " sanctioned strength of the board," the words " or in the case of a district health officer appointed for two or more district boards, if the removal is recommended by a resolution of each of the district boards, passed at a meeting called for the purpose and supported by the votes of not less than two-thirds of the sanctioned strength thereof " shall be added.

Amendment of section 69, Madras Act XIV of 1920.

31. In sub-section (1) of section 69 of the said Act, before the words " or district panchayat officer," the words " district executive officer " shall be inserted.

Insertion of new sections 69-A and 69-B in Madras Act XIV of 1920.

32. After section 69 of the said Act, the following sections shall be inserted, namely :—

Appointment of educational officer or other agency for management of elementary schools.

" 69-A. (1) The Local Government may appoint an educational officer or provide such other agency as they may think fit, for performing such functions relating to the management and supervision of elementary schools maintained by a district board or otherwise relating to education in the district as may be prescribed.

(2) The Local Government may recover from the district board concerned the whole or such proportion of the expenses incurred by them in connexion with the appointment of such officer or the provision of such agency as they may, by general or special order, determine.

*Explanation.*—The expenses referred to in this sub-section shall be deemed to include expenditure by way of salary and allowances and contributions towards leave allowances, pensions and provident funds.

(3) The Local Government may at any time withdraw or replace any officer appointed by them under sub-section (1) or cancel or modify any provision made by them under that sub section.

Power to appoint the same person to serve two or more panchayats.

69-B. Two or more panchayats may, and if so required by the Local Government shall, appoint the same person to exercise or discharge any powers or duties of a similar nature for both or all of them."

Amendment of section 70, Madras Act XIV of 1920.

**33.** In section 70 of the said Act, for the words " and the district panchayat officer," the words " the district executive officer, the district panchayat officer and the educational officer " shall be substituted.

Amendment of section 71, Madras Act XIV of 1920.

**34.** In sub-section (1) of section 71 of the said Act, in the opening paragraph, the words " taluk boards and " shall be omitted.

Amendment of section 72, Madras Act XIV of 1920.

**35.** In section 72 of the said Act, for the words " or the district panchayat officer," the words " the district executive officer, the district panchayat officer or the educational officer " shall be substituted

Amendment of section 73, Madras Act XIV of 1920.

**36.** In section 73 of the said Act—

(i) in sub-section (1), for the words " and the district panchayat officer," the words " the district executive officer, the district panchayat officer or the educational officer " shall be substituted; and

(ii) in sub-section (2), the words " taluk board or " in both the places where they occur and the words " as the case may be " shall be omitted.

Insertion of new section 73-B in Madras Act XIV of 1920.

**37.** After section 73-A of the said Act, the following section shall be inserted, namely :—

Power of Local Government to regulate conditions of service, etc., of educational officer, etc.

" 73-B Notwithstanding anything contained in this Act, the Local Government shall have power to regulate the methods of recruitment, conditions of service, pay and allowances and discipline and conduct of the educational officer referred to in section 69-A and of any person appointed under section 69-B."

**38.** In section 114 of the said Act, the words " for each taluk a taluk fund " shall be omitted. Amendment of section 114, Madras Act XIV of 1920.

**39.** Section 114-A of the said Act shall be omitted. Repeal of section 114-A, Madras Act XIV of 1920

**40.** In section 115 of the said Act, the word " taluk " shall be omitted Amendment of section 115, Madras Act XIV of 1920.

**41.** In sub-section (3) of section 116 of the said Act, the words " budget of a taluk board and the," the words " and the taluk board respectively " and the words " or the taluk board as the case may be " shall be omitted. Amendment of section 116, Madras Act XIV of 1920

**42.** In sub-section (1) of section 117 and in section 118 of the said Act, the words " taluk boards and " shall be omitted. Amendment of sections 117 and 118, Madras Act XIV of 1920.

**43.** In section 128 of the said Act, for the word " taluk " wherever it occurs, the word " district " shall be substituted. Amendment of section 128, Madras Act XIV of 1920.

**44.** In sections 137, 138 and 139 of the said Act, for the words " taluk board," the words " district board " shall be substituted. Amendment of sections 137, 138 and 139, Madras Act XIV of 1920.

**45.** In sections 183-A, 183-B and 190 of the said Act, for the word " taluk " wherever it occurs, the word " district " shall be substituted Amendment of sections 183-A, 183-B and 190, Madras Act XIV of 1920

**46.** In sub-section (2) of section 199 of the said Act— Amendment of section 199, Madras Act XIV of 1920

(i) in the first proviso to clause (*b*), the words " or a taluk " shall be omitted; and

(ii) after clause (*f*), the following clause shall be inserted, namely —

" (*ff*) as to the opening, maintenance, management and supervision of local board schools."

**47.** In section 203-A of the said Act, the words " taluk board or " wherever they occur, shall be omitted. Amendment of section 203-A, Madras Act XIV of 1920.

Amendment of sections 204 and 205, Madras Act XIV of 1920.

**48.** In sections 204 and 205 of the said Act, the words " taluk board " shall be omitted.

Amendment of section 205-A, Madras Act XIV of 1920.

**49.** In section 205-A of the said Act—

(i) in sub-section (1), the words " or taluk " shall be omitted; and

(ii) in sub-section (3), the words " taluk board " shall be omitted.

Amendment of section 240, Madras Act XIV of 1920.

**50.** In section 240 of the said Act—

(i) in sub-section (2), the words " of the constitution of the revenue taluk or " and the figure " 4 " shall be omitted; and

(ii) in clause (*b*) of sub-section (8), the words " taluk " and " taluk board " and the figure " 4 " shall be omitted

Amendment of Schedule II, Madras Act XIV of 1920.

**51.** In Schedule II to the said Act—

(i) in rule 2, the words " or taluk " shall be omitted;

(ii) in sub-rule (1) of rules 3 and 4, the words " and taluk " shall be omitted;

(iii) in sub-rule (1) of rule 11, the words " or taluk " in both the places where they occur and the words " as the case may be " shall be omitted;

(iv) in sub-rule (2) of the same rule, for the word " taluk," the word " district " shall be substituted;

(v) in rule 12, for the words " of the committees thereof " the words " of the standing and other committees thereof " shall be substituted, and

(vi) in rule 13, for the words " every committee," the words " every standing or other committee " shall be substituted.

Amendment of Schedule III, Madras Act XIV of 1920.

**52.** In rule 1 of Schedule III to the said Act, the words " taluk board " and the word " taluk " wherever it occurs shall be omitted.

Amendment of Schedule V, Madras Act XIV of 1920.

**53.** In Schedule V to the said Act—

(i) in sub-rule (1) of rule 1-A, the words " and taluk " in clause (*a*) and the words " or taluk " in clause (*b*) shall be omitted;

(ii) in clause (*d*) of the same sub-rule, for the words " other than libraries serving the needs of an area wider than a village which are classified as district or taluk libraries," the words " other than libraries which are classified as district libraries " shall be substituted;

(iii) in clauses (*k*) and (*l*) of the same sub-rule, for the word " taluk " the word " district " shall be substituted;

(iv) in sub-rule (2) of the same rule, the words " or taluk " in clause (*a*) shall be omitted and for the expression " rules 1-B and 1-C " in clause (*n*), the expression " rule 1-B " shall be substituted;

(v) rule 1-B shall be omitted and rules 1-C and 1-D shall be relettered 1-B and 1-C respectively,

(vi) in sub-rule (1) of rule 1-B as so relettered, after clause (*c*), the following clause shall be inserted, namely :—

" (*cc*) the opening and maintenance of elementary schools except in villages where the contribution referred to in item (11) under the heading ' A—Village Funds ' in rule 5 is paid by the district board;";

(vii) for clause (*h*) of the same sub-rule, the following clause shall be substituted, namely :—

" (*h*) the establishment and maintenance in the district of hospitals and of dispensaries other than those classified as panchayat dispensaries; and every kind of medical relief not given by the panchayat;";

(viii) after clause (*h*) of the same sub-rule, the following clause shall be inserted, namely :—

" (*hh*) vaccination;";

(ix) in clause (*j*) of the same sub rule, the word " and " at the end shall be omitted;

(x) after clause (*k*) of the same sub-rule, the following clauses shall be inserted, namely :—

" (*l*) the opening and maintenance of public markets which are classified as district markets;

(*m*) the control of fairs and festivals which are classified as district fairs and festivals, and

(*n*) the supervision of panchayats in the district.";

(xi) in sub-rule (2) of the same rule, in clause (*d*), for the expression " rules 1-A and 1-B," the expression " rule 1-A " shall be substituted;

(xii) in rule 2, the words " taluk " and " taluk boards " shall be omitted;

(xiii) for rule 3, the following rule shall be substituted, namely :—

" 3. (1) The proposals for the classification of roads as district roads, of choultries as district choultries, of libraries as district libraries, of dispensaries as panchayat dispensaries, of markets as district markets and of fairs and festivals as district fairs and festivals shall be framed by a committee of the district board and shall be sanctioned by the district board after each of the panchayats concerned has had a reasonable opportunity of expressing its opinion thereon.

(2) The Local Government shall have power to revise any classification sanctioned by the district board under sub-rule (1) ";

(xiv) in rule 5, in the opening paragraph, the word " taluk " shall be omitted and in item (1) under the heading " A—Village Funds," for the words " One-sixth of the land-cess " the words " One-third of the land-cess " shall be substituted;

(xv) in items (5), (7) and (8) under the same heading, for the word " taluk " wherever it occurs, the word " district " shall be substituted;

(xvi) in item (9) under the same heading, the words " or taluk " shall be omitted;

(xvii) in item (11) under the same heading, for the words " taluk board," the words " district board " shall be substituted;

(xviii) in item (16) under the same heading, the words " or taluk " shall be omitted;

(xix) in the same rule, the heading " B—Taluk Funds " and the items thereunder shall be omitted and for the heading " C—District Funds," the heading " B—District Funds " shall be substituted; and in item (1) under that heading, for the words " One-third of the land-cess," the words " Two-thirds of the land-cess " shall be substituted;

(xx) after item (1) under the same heading, the following item shall be inserted, namely :—

" 1-A The pilgrim tax levied in respect of any village in the district where the occasion for pilgrimage is a festival classified as a district festival; ";

(xxi) after item (3) under the same heading, the following item shall be inserted, namely :—

" (3-A) Fees levied in public markets in the district classified as district markets after deducting the contribution referred to in item (8) under the heading ' A—Village Funds ' ; ";

(xxii) in rule 6, the words " taluk " and " taluk boards " shall be omitted,

(xxiii) in rule 8, the words " or taluk " in both the places where they occur shall be omitted; and

(xxiv) in rule 9, the words " and taluk " shall be omitted.

Amendment of section 3, Madras Act VIII of 1920.

**54.** In section 3 of the Madras Elementary Education Act, 1920 (hereinafter referred to as the same Act,—

(i) in clause (ix), for the words " taluk board," the words " district board " shall be substituted; and

(ii) clause (xiv) shall be omitted.

Amendment of section 5, Madras Act VIII of 1920.

**55.** For sub-section (4) of section 5 of the same Act, the following sub-section shall be substituted, namely :—

" (4) The president of the district board or if there is more than one district board in the district, the president of each of the district boards shall *ex-officio* be a member of the district educational council."

Amendment of section 24, Madras Act VIII of 1920.

**56.** In clause (c) of sub-section (1) and in sub-section (2) of section 24 of the same Act, for the words "taluk board," the words "district board" shall be substituted.

Amendment of section 32, Madras Act VIII of 1920.

**57.** After clause (i) of section 32 of the same Act, the following clauses shall be inserted, namely :—

"(i-a) an annual contribution from the general funds of such authority, not being less than a minimum fixed by the Local Government in that behalf;'

"(i-b) such additional contribution from the general funds of such authority as the Local Government may decide to be necessary in any year in order to balance the budget of the fund for such year"

Substitution of new sections for sections 34 and 35, Madras Act VIII of 1920.

**58.** For sections 34 and 35 of the same Act, the following sections shall be substituted, namely :—

Education taxes.

"34. (1) Any municipal council may with the previous sanction of the Local Government and shall, if so directed by them, levy within its area taxes not exceeding twenty-five percentum of the taxation levied in the municipality under the law for the time being in force governing the same under all or any of the following heads, namely, property tax, tax on companies and profession tax

(2) Any district board may with the previous sanction of the Local Government, and shall, if so directed by them, levy within its area or any part thereof taxes not exceeding twenty-five percentum of the taxation levied in such area or part under the law for the time being in force governing district boards, under all or any of the following heads, namely, land-cess, profession tax and house-tax.

Rates of levy of the taxes.

35. (1) The rates of levy of any tax under section 34 shall, subject to the maxima specified in that section, be determined—

(a) by the local authority with the previous sanction of the Local Government, in case

the tax is levied by the local authority of its own motion; and

(*b*) by the Local Government, in case the tax is levied at their direction.

(2) Subject to the maxima aforesaid, the local authority may with the previous sanction of the Local Government, and shall, if so directed by them, alter the rates of levy of any such tax."

Amendment of section 36, Madras Act VIII of 1920.

**59.** In sub-section (2) of section 36 of the same Act, for the words "taluk board," the words "district board" shall be substituted.

Amendment of section 51, Madras Act VIII of 1920.

**60.** In section 51 of the same Act, for the words "taluk board," the words "district board" shall be substituted.

Repeal of section 55, Madras Act VIII of 1920.

**61.** Section 55 of the same Act shall be omitted.

Abolition of Taluk Boards.

Madras Act XIV of 1920.

**62.** (1) All taluk boards constituted under the Madras Local Boards Act, 1920, shall, on the commencement of this Act, be deemed to have been abolished.

Construction of references to taluk boards and their presidents in enactments, etc.

(2) Any reference to a taluk board or its president contained in any enactment in force in the Presidency of Madras or in any notification, order, scheme, rule, form, or by-law made under any such enactment and in force in the said Presidency shall, after the commencement of this Act, be construed as a reference to the district board or its president, as the case may be.

Madras Acts XIV and VIII of 1920 as amended by this Act to be read subject to the rules in the schedule.

Madras Act XIV of 1920.

Madras Act VIII of 1920.

**63.** In giving effect to the provisions of the Madras Local Boards Act, 1920, and the Madras Elementary Education Act, 1920, as amended by this Act, the said provisions shall be read subject to the rules contained in the schedule.

## THE SCHEDULE.

*Transitional Provisions.*

**1.** (1) Save as provided in rule 5, all property, all rights of whatever kind used, enjoyed or possessed by, and all interests of whatever kind owned by, or vested in or held in trust by, or for, any taluk board constituted under the Madras Local Boards Act, 1920, as well as

all liabilities legally subsisting against such board shall, on and from the date of the commencement of this Act and subject to such directions as the Local Government may by general or special order give in this behalf, pass to the district board concerned.

*Explanation.*—All arrears of taxes or other payments by way of composition for a tax or due for expenses or compensation or otherwise due to a taluk board at the commencement of this Act may be recovered by the district board concerned.

(2) All proceedings taken by or against any taluk board and pending at the commencement of this Act may, thereafter, be continued by or against the district board concerned.

(3) Any remedy by way of application, suit or appeal available to or against a taluk board at the commencement of this Act shall, after such commencement, be available to or against the district board concerned.

**2.** Any action taken by a taluk board before the commencement of this Act shall, subject to such directions as the Local Government may by general or special order give in this behalf, be deemed to have been taken by the district board concerned unless and until superseded by action taken by such district board.

**3.** All moneys standing to the credit of the Village Development Fund maintained by a district board shall, on the commencement of this Act, form part of the general funds of the district board.

**4.** The land-cess levied under section 78 of the Madras Local Boards Act, 1920, for the fasli year in which this Act is brought into force shall be distributed among district boards and panchayats in such manner as the Local Government may by general or special order direct.

**5.** (1) All taluk roads, taluk choultries, taluk dispensaries, taluk markets, taluk fairs and taluk festivals shall, on the commencement of this Act, be deemed to have been classified under rule 3 of Schedule V to the Madras Local Boards Act, 1920, as amended by this Act, as district roads, district choultries, district dispensaries, district markets, district fairs and district festivals, respectively.

(2) All taluk libraries shall, on the commencement of this Act, vest in the panchayat concerned or where there is no panchayat, in the district board concerned.

(3) All taluk hospitals shall, on the commencement of this Act, vest in the district board concerned.

6. All presidents of taluk boards in a district holding office on the date of commencement of this Act shall be members of the district board concerned over and above the sanctioned strength thereof. They shall hold office as such members, subject to the provisions of sub-section (2) of section 54, and sections 56, 57 and 59 of the Madras Local Boards Act, 1920, as amended by this Act, until the other members of the district board vacate office by efflux of time.

7. Where before the members of a district board holding office at the commencement of this Act vacate office by efflux of time, a notification is issued under section 3-A of the Madras Local Boards Act, 1920, splitting up a district into two or more districts, the following provisions shall apply :—

(a) The circles of the new districts shall, unless and until the Local Government direct otherwise by a notification under section 47 of the Madras Local Boards Act, 1920, be the circles of the old district falling within the respective areas of the new districts.

(b) The members of each of the new district boards shall be the members elected to the old district board by the circles falling within the new district, together with the presidents of taluk boards who became members of the old district board under rule 6 and who were originally elected to the taluk boards by taluk board circles falling within the new district.

(c) If any vacancy in the office of a member of the district board existed at the time of the notification under the said section 3-A, such vacancy shall be filled by a casual election by the circle concerned.

(d) The members of the new district boards shall, subject to the provisions of sub-section (2) of section 54, and sections 56, 57 and 59 of the Madras Local Boards Act, 1920, as amended by this Act, hold office until the date on which they would have

vacated their offices on the old district board by efflux of time, if the notification under the said section 3-A had not been issued

(e) If any vacancy in the office of a member of the new district board occurs otherwise than by efflux of time, such vacancy shall be filled by a casual election by the circle concerned. Any person elected at such election shall hold office only so long as the member in whose place he is elected would have been entitled to hold office if the vacancy had not occurred.

(f) Nothing contained in clauses (c) and (e) shall apply to any vacancy in the office of a member of the district board who became such member by virtue of rule 6 or of that rule read with clause (b) of this rule.

(g) (i) The president or vice-president of the district board holding office on the date of issue of the notification under the said section 3-A shall, with effect from the date of such notification, be the president or vice-president, as the case may be, of the district board of which he becomes a member under clause (b)

(ii) Where by the operation of sub-clause (i) no person becomes the president of a district board, the members of the board shall, as soon as may be after the issue of the notification under the said section 3-A, meet for the election of a president on such date as may be fixed in that behalf by the Collector of the district.

(iii) Where by the operation of sub-clause (i) no person becomes the vice-president of a district board, the members of the board shall, as soon as may be after the issue of the notification under the said section 3-A, meet for the election of a vice-president on such date as may be fixed in that behalf by the president of the board.

(h) The Local Government shall cause arrangements for a general election to the new district

boards to be made in accordance with the notifications issued by them with respect thereto under the Madras Local Boards Act, 1920, as amended by this Act, so that the newly elected members may come into office on the date referred to in clause (*d*).

**8.** Where after the commencement of this Act, candidates are required for appointment to any post under a district board or panchayat, selection for appointment thereto shall, subject to such directions as may be issued by the Local Government, be restricted to persons who have been employed by taluk boards and are thrown out of such employment in consequence of the abolition of taluk boards by this Act, so long as such persons qualified and suitable for the post and desirous of such selection are available.

The Local Government may issue such general or special directions as they may think necessary for the purpose of regulating appointments under this rule and otherwise giving due effect to the provisions thereof and no appointment to any post under a district board or panchayat made in contravention of any such direction shall be deemed to have been validly made.

**9.** Every district educational council constituted before the commencement of this Act shall be deemed to have been constituted under the Madras Elementary Education Act, 1920, as amended by this Act.

**10.** (1) The number of persons who may be elected to the district educational council by the district board and by the taluk boards in the district at the commencement of this Act shall be deemed to have been prescribed as the number of persons which the district board is entitled to elect to the district educational council under sub-section (5) of section 5 of the Madras Elementary Education Act, 1920, as amended by this Act.

(2) Any vacancy in the office of any member of a district educational council elected by a taluk or district board shall, after the commencement of this Act, be filled by election by the district board.

**11.** The elementary education funds constituted for taluk boards in any district board area shall, on the

commencement of this Act, form part of the elementary education fund constituted for the district board under the Madras Elementary Education Act, 1920, as amended by this Act.

**12.** Any tax levied by a taluk board before the commencement of this Act shall be deemed to have been levied by the district board under the Madras Elementary Education Act, 1920, as amended by this Act.

**13.** If any difficulty arises in giving effect to the provisions of these rules or of the Madras Local Boards Act, 1920, or of the Madras Elementary Education Act, 1920, as amended by this Act, the Local Government as occasion may require may by order do anything which appears to them to be necessary for the purpose of removing the difficulty.

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## STATEMENT OF OBJECTS AND REASONS.

The objects of this Bill are fully explained in the *Press* Communique issued by the Government on the 6th January 1934, and appended hereto.

## APPENDIX.

*Press Communiqué, dated Fort St. George, the 6th January* 1934

[Proposals for the abolition of taluk boards]

The financial position of most of the district and taluk boards in the Presidency has been adversely affected as a result of legislation passed during the last three years. The Madras Local Boards Amendment Act, 1930, introduced several changes affecting the constitution and finances of district and taluk boards. Before the amendment of the Act, an obligatory land-cess of one anna in the rupee on the annual rental value of lands was levied of which one-half was credited to the district boards and other half to the taluk boards. In addition, an optional cess of not more than 3 pies for district board purposes and a similar 3-pies cess for taluk board purposes could be levied if the boards so desired. The Madras Local Boards Amendment Act, 1930, fixed a uniform compulsory rate of 1 anna 6 pies, the proceeds being shared as follows:—

(1) district boards—6 pies;
(2) taluk boards—6 pies;

(3) Village Development Fund—3 pies; and
(4) panchayats in panchayat areas, taluk boards in non-panchayat areas—3 pies.

As a result of this change, nineteen district boards which were levying an optional cess of 3 pies and one district board which was levying an optional cess of 1½ pies, have now lost this income. The district boards which were either not levying any optional cess or were levying it at less than the maximum rate, have lost a potential source of income. The total immediate loss to district boards is about Rs. 11 lakhs and the ultimate loss is about Rs. 16 lakhs. Most of the taluk boards were levying an optional cess at varying rates In lieu of this they are now credited with the proceeds of a 3-pies cess levied in non-panchayat areas. Although the total income of all taluk boards under this head has not decreased individual boards which were getting the full 3-pies optional cess have suffered a loss Under the old arrangement, taluk boards could have obtained a maximum amount of Rs 16 lakhs from the optional cess, whereas they now get only Rs. 11 lakhs and even this will gradually be transferred to panchayat boards as more and more panchayats come into existence. Thus a large number of taluk boards have suffered an immediate loss and taluk boards as a whole stand to lose a potential income of Rs 16 lakhs, as a result of the revised arrangements.

The abolition of tolls, as a result of the passing of the Madras Motor Vehicles Taxation Act, 1931, deprived district boards roughly of 50 per cent of their annual income under the head, as the amount actually realized from the motor vehicles tax fell far short of the estimated income. The loss to district boards is estimated at Rs. 22·27 lakhs a year on the basis of the figures recently worked out.

Motor buses were contributing a substantial amount to the funds of district boards in the shape of licence fees. There has been a serious fall in this source of income also as a considerable number of buses have owing to various causes been taken off the road in the last two or three years.

Prior to the Madras Local Boards Amendment Act of 1930, there were only 130 taluk boards, or roughly one for each revenue division According to the Act as amended, a taluk board should ordinarily be created for each revenue taluk. The number of taluk boards thus increased from 130 to 208 with a corresponding increase of expenditure under establishments, travelling allowance and contingencies. This has had a further adverse effect upon the finances of the taluk boards.

On the repeal of the Village Panchayat Act of 1920, all panchayats became regular local boards under the Madras Local Boards Act. Specific sources of income were also assigned to these panchayat boards. In addition to a share of

the landless panchayats are now credited with the receipts from profession tax, license fees during fairs and festivals, markets, cattle-stands and slaughter-houses. The total number of panchayats already exceeds 5,000 and is likely to increase. Taluk boards will thus gradually lose their income from the above sources.

District Councils (which have suffered a loss of over 33 lakhs a year) have had to adopt drastic measures to balance their budgets. Expenditure on roads and capital works has had to be rigorously cut down. Retrenchments have been effected under both general and engineering establishments. The deficits which still remained have been met for the time being by temporary adjustments from the Government and diversions from earmarked funds.

From a careful examination of their financial position it is observed that, under existing conditions, 12 out of 25 district boards will work at a deficit after providing for a minimum of expenditure on services. If adequate provision is to be made for the maintenance of roads and for capital expenditure, a considerable addition to their resources will be necessary.

As regards taluk boards, the majority of them are not self-supporting. Of the 203 boards, 99 have recurring deficits and 31 more are on the border line. As taluk boards have no elastic sources of revenue, the deficits will accumulate from year to year and more boards will show deficit budgets as their resources decrease with the increase in the number of panchayats. Already a number of taluk boards are not in a position to pay the salaries of their staff.

The position has thus become very unsatisfactory and drastic remedies are imperatively necessary if the boards are to be saved from a complete breakdown. The Government have accordingly formulated the following proposals for meeting the situation and their intend to introduce a Bill in the Legislative Council to give effect thereto :—

(1) *Abolition of taluk boards*.—The duties and functions of the panchayat, taluk and district boards are similar in many respects and overlap in certain cases. There is now no service performed by a taluk board which cannot be taken over by a district or panchayat board. The duplication of control causes an avoidable waste of public funds. The administration of services, such as, medical relief, elementary education, etc., by district boards would result in greater efficiency and benefit by reason of the pooling of the resources and centralized control by a better qualified staff. It is generally agreed that the village panchayat should be developed as the unit of Local Self-Government. The

taluk boards are expected to encourage the development of panchayats and supervise them. But in actual practice their interests appear to be often opposed to each other and experience has shown that the present system has not been conducive to the healthy development of village panchayats. The abolition of taluk boards is likely to give an incentive to the development of village panchayats and thus help to save local boards generally from a financial breakdown.

It is, therefore, proposed to abolish the taluk boards and transfer all their functions to the district boards except taluk libraries in panchayat areas which will be transferred to panchayats; if taluk boards are abolished, the net gain to district boards is estimated at Rs. 8·87 lakhs.

(2) *Abolition of the Village Development Fund.*—This fund is a creation of the Madras Local Boards (Amendment) Act of 1930. One-sixth of the land-cess levied in the district is credited to the fund and the fund is utilised for (*a*) development of village communications, (*b*) the provision of water-supply, (*c*) the promotion of sanitation and public health, and is administered by a committee consisting of the president of the district board and of the presidents of the taluk boards in the district. It has been held that the expenditure shall mainly consist of capital expenditure. In actual practice several district boards have been permitted to make a temporary diversion of this fund for general purposes to cover deficits in their budgets. While it has provided for the construction of new lines of communications, it has not provided for expenditure necessary for their maintenance. Another defect of this fund is that the body administering it is not *directly* responsible to any definite electorate. The services for which the expenditure can be incurred from the Village Development Fund are also services allotted either to panchayats or taluk boards or district boards. With the abolition of taluk boards, it is considered that the Village Development Fund also should be abolished and that the income from the 3-pies cess now credited to this fund should be distributed as follows:—

(*a*) *To district boards.*—The portion of the cess collected in non-panchayat areas.

(*b*) *To panchayats.*—The portion of the cess collected in panchayat areas.

This under present conditions will augment the general resources of district boards by 11 lakhs and of panchayat boards by 5 lakhs in round figures.

(8) *Splitting up of district boards*.—Simultaneously with the abolition of taluk boards it is considered necessary to constitute smaller district boards so as to make supervision and inspection of the hundreds of elementary schools and village panchayats by the district board presidents possible. Under the existing Act the Government can constitute a district board for any area. The extent to which the number of district boards should be increased would depend on the merits of each case. Only those districts which after careful investigation are expected to be financially self-supporting after bifurcation will be divided. In the United Provinces, with a population equivalent to Madras, there are forty-five district boards and no taluk boards. If smaller district boards are constituted, it is proposed to have one District Board Engineer, and one District Panchayat Officer for each of the new district boards, but to have only one District Health Officer for an entire revenue district since the latter officer works largely under the direction of the Director of Public Health. It is also proposed to provide for Statutory Standing Committees which will ordinarily include a Standing Committee for Education and a District Educational Officer or some other suitable agency under each district board for the supervision and inspection of the local board elementary schools. Instead of a separate elementary education fund for each taluk board in a district there will be a single fund under the control of the district board and the district board will have to arrange for the supervision of the local board elementary schools in the district. District boards will also be empowered to levy the education tax (now levied by taluk boards), subject to the control of the Government as regards the rate of tax and the areas in which it should be levied. No increase of taxation under this head is contemplated.

It is anticipated that if the above proposals are given effect to, district boards will be placed in a stronger financial position and that there will be little difficulty in meeting the small additional expenditure involved in the splitting up of the more unwieldy boards. Panchayat boards also will be placed on a more stable footing by the addition to their revenues of a share of the Village Development Fund and they will be in a better

position to take over such functions as may be transferred to them on the abolition of taluk boards.

It will however be too heavy a price to pay for the advantages claimed in the proposed changes, if the province is again thrown into the throes of a general election to local boards. It is, therefore, proposed to provide that, when a district board is split up, the existing district board members should continue as such in the local board from whose area they were elected. In such cases the existing president of the district board will also continue as president of the new board which exercises jurisdiction over the area from which he was elected and the members of the other board will elect a president from among themselves. A transitory provision will also be included under which the present taluk board presidents will be members of the respective district boards, until the next general elections.

RAJA OF BOBBILI.

*18th January 1934.*

V. N. VISWANATHA RAO,
*Secretary to Govt., Law (Legislative) Dept.*

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